



MONTANA
DEPARTMENT OF COMMERCE

Community ~~Development~~MT Division

**~~TREASURE STATE~~MONTANA COAL ENDOWMENT
PROGRAM**

Project Administration Manual

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CHAPTER I

PROJECT START-UP REQUIREMENTS

I. Overview

This chapter offers background information on the ~~Treasure State~~ Montana Coal Endowment Program and summarizes the key considerations and important steps each grantee will need to take to start a successful ~~TSEPMCEP~~ grant award project.

~~The 2021 Legislative session included a modification to MCA 90-6-710 allowing for applicants to begin construction before Legislative approval. Each grantee can incur reimbursable project costs as of the authorized date in its Notice of Award letter. If your project proceeds before Legislative approval the conditions of HBI I amended language must be met and supporting documentation will be required prior to later entering into contract with the Department. For projects that wait for Legislative authorization, those costs will be eligible for reimbursement once the grantee meets all start-up conditions and executes a contract with the Department. If the grantee fails to meet start-up requirements, a contract is not executed, a grant recipient is unable to comply with the terms and conditions of the contract, or costs incurred are not eligible for TSEPMCEP funding, those costs will be the sole responsibility of the grantee. All biennial TSEPMCEP projects must meet start-up conditions and deadlines established in authorizing legislation for project awards, which may impact the obligation or commitment of TSEPMCEP funds. Please note that biennial projects will be reviewed by the next legislature to determine if a grant should be terminated.~~

II. Project Budget

The preliminary project budget submitted in the grant recipient's application must be updated to reflect current conditions at the time of contract ~~execution, and~~ execution and will be attached to and incorporated by reference into the contract. At the time the project is ready to enter into a contract, an updated budget narrative explaining the amounts listed for each line item that ~~TSEPMCEP~~ will be paying for, ~~will be required to~~ must be submitted. It is important that the preliminary project budget at the time of contract execution is acceptable to all the funding sources identified. When the project is ready to begin the construction phase, the project budget will need to be revised to reflect the actual amount in the construction bid. In the event, that the construction bid is less than the budgeted amount, the construction line items must be revised to reflect the reduced costs. For information on the process to follow in amending the project budget after the contract has been executed, see Chapter 2.

III. Project Implementation Schedule

The project implementation schedule submitted in the grant recipient's application must be updated to reflect current conditions at the time of contract ~~execution, and~~ execution and will be attached to and incorporated by reference into the contract. The final implementation schedule for the ~~TSEPMCEP~~ contract should identify all key tasks and more precisely define, if possible, when each must be accomplished to complete the overall project. **All ~~TSEPMCEP~~ project activities must be completed as identified in the grantee's implementation schedule and the executed**

contract with the Department. The Department, in its sole discretion, may grant an extension to this deadline if the project is near completion and the grant recipient can demonstrate a good faith effort to complete the project on time and within the original budget.

IV. Obtaining Firm Commitment of Other Funding Sources

The ~~TSEPMCEP~~ grant recipient must provide adequate documentation of the firm commitment of all non-~~TSEPMCEP~~ funds for the project, identified in the preliminary project budget. A description of acceptable documentation of non-~~TSEPMCEP~~ funding sources is included as Exhibit I-A.

If the ~~TSEPMCEP~~ grant recipient changes one of its sources of funding after executing a contract with the Department, or if the cost of the project increases substantially after obtaining the firm commitment of non-~~TSEPMCEP~~ funds and additional funding is required from existing or new sources, the grantee should notify the Department immediately. The Department may, at its sole discretion, suspend distribution of ~~TSEPMCEP~~ funds until there is once again a firm commitment of funds for the project.

V. Established Financial Accounting System

Local government and district grantees must be in compliance with the auditing and reporting requirements provided for in Section 2-7-503, MCA, and demonstrate that they have an established financial accounting system in place that conforms to generally accepted accounting principles (GAAP). Tribal governments must comply with auditing and reporting requirements provided for in OMB Circular A-133.

Program staff will contact the Department of Administration, Local Government Services (LGS) Bureau, to confirm whether a grant recipient is in compliance with the auditing and reporting requirements. A grantee can also view information related to their audit and financial status available at any time on the Department of Administration, Local Government Services website at <http://sfsd.mt.gov/LGSB>.

The LGS Bureau services are available at the request of any local government to help the entity comply with statutory financial and budgetary reporting requirements.

VI. The Management Plan

All ~~TSEPMCEP~~ grant recipients must prepare and submit a signed management plan. ~~A sample management plan is included as Exhibit I-B.~~ The management plan will establish how the grantee will allocate responsibility for complying with the ~~TSEPMCEP~~ grant and other state requirements, including but not limited to the proper financial management of ~~TSEPMCEP~~ funds, review of contracts and requests for reimbursements, compliance with labor standards, and completion of environmental review. In all cases, the grantee must maintain effective control over and accountability for all funds.

In the management plan, the grantee may designate an existing or new public employee (such as a planning director, public works superintendent, or clerk) as the ~~TSEPMCEP~~ grant manager; hire a consultant to manage the grant through applicable competitive procedures for procurement of

services; or contract with another local government or existing special purpose agency, such as an economic development corporation, to manage a grant. If the grantee will work with any other governmental entity or non-profit organization to manage its ~~TSEPMCEP~~ grant, the grantee must execute an agreement establishing the responsibilities and duties between the two agencies. A sample agreement is ~~included available on the website in Commonly used forms as Exhibit I-C.~~ All executed contracts or agreements, including those for engineering services or grant services, and documentation of procurement for applicable services, to be paid for in whole or in part by ~~TSEPMCEP~~ funds must be submitted to the Department. Additionally, ~~TSEPMCEP~~ may request a copy of any contract related to project activities.

VII. Environmental Review

~~TSEPMCEP~~ grants are a state action subject to the Montana Environmental Policy Act (MEPA). MEPA specifies three different levels of environmental review, based on the significance of the potential impacts. The levels are: (1) exempt or excluded from MEPA review; (2) environmental assessment (EA), and (3) environmental impact statement (EIS). For detailed information on MEPA, see *A Guide to the Montana Environmental Policy Act*, or *A Citizen's Guide to Public Participation in Environmental Decision making*, ~~at - Montana State Legislature (mt.gov) at~~ <https://leg.mt.gov/committees/interim/eqc/montana-environmental-policy-act/>.

At the time of application to the Department, the environmental review process ~~was~~ must be completed and documentation of the process ~~was~~ must be submitted as part of the application. Please be advised that if project activities are modified to the extent that a new environmental review is required, MEPA processes must be followed before additional work can be completed. For additional information, please see the ~~TSEPMCEP~~ website.

VIII. ~~TSEPMCEP~~ Contract

The executed contract between the grantee and the Department is the legal document that governs the administration of the grant, and will identify the following items:

- the total amount of ~~TSEPMCEP~~ funds to be provided;
- the scope of work;
- a preliminary project budget for the use of ~~TSEPMCEP~~ funds and any other funds involved in the project;
- the implementation schedule for the project;
- any special conditions placed on the grant by the Legislature; and
- the general terms and conditions associated with the grant.

The process of finalizing the contract will include finalizing the project budget and implementation schedule and incorporating the scope of work to be completed by the grantee. The grantee's application for ~~TSEPMCEP~~ grant funds, as approved by the Department and/or the Legislature, is incorporated by reference into the contract and the representations made therein are binding upon the Grantee.

At the time the project is ready to execute a contract, the ~~TSEP~~MCEP liaison will contact the grantee to confirm grantee authorized representatives for signatures ~~at the time the contract is being prepared~~. The contract will be reviewed in the Department and then transmitted to the grantee thru an electronic process for signatures. A copy of the final executed contract will be available electronically when all signatures have been obtained. Please contact the program staff if there are concerns or assistance needed with this process.

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Exhibit I-A

Guidelines on Documenting Firm Commitment of Non-TSEPMCEP Funds

The following information describes the documentation that is required for the various types or forms of matching funds:

A. Grants and Other Government Appropriated Funds

A letter is required from the funding agency documenting the amount of funding that has been approved or appropriated and indicated when funds will be available.

B. Local Government Funds

Local governments that have committed reserves or budgeted their own funds toward a TSEPMCEP project have documented these funds as submitted in the grantee's application and will be confirmed upon execution of the contract between the grantee and the Department. This commitment may be documented via resolution, or an approved local government budget identifying the local funds identified-specific for the project.

C. Loans (Revenue Bonds, General Obligation Bonds, Special Improvement Districts, Rural Improvement Districts)

Loans to Municipalities, Counties, Districts, or Tribes, that require a vote by only the governing body	Loans that require a vote by the general population or users
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SRF loan

- | | |
|---|--|
| <ul style="list-style-type: none">• “Commitment Agreement” or “Letter of Approval for State Revolving Fund Loan Program in Lieu of Commitment Agreement”, adopted by Resolution | <ul style="list-style-type: none">• “Commitment Agreement” or “Letter of Approval for State Revolving Fund Loan Program in Lieu of Commitment Agreement”, adopted by Resolution• Successful certified debt election results (attach supporting documents) |
|---|--|

USDA RD loan and/or grant

- | | |
|---|--|
| <ul style="list-style-type: none">• “Letter of Conditions” from USDA RD• “Letter of Intent to Meet Conditions” signed and returned to USDA RD FORM: RD 1942-46• “Request for Obligation of Funds” FORM: RD 1940-1 | <ul style="list-style-type: none">• “Letter of Conditions” from USDA RD• “Letter of Intent to Meet Conditions” signed and returned to USDA RD FORM: RD 1942-46• “Request for Obligation of Funds” FORM: RD 1940-1• Successful certified debt election results (attach supporting documents) |
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~~Exhibit I-B~~

~~Sample Management Plan~~

~~The management plan adopted by the local government should reflect the actual procedures utilized by the local government and based on the duties assigned to the various people involved in the project.~~

Note: This sample is provided to help create a plan that is structured upon the actual procedures utilized by the local government and based on the duties assigned to the various people involved in the project. This sample may be modified to fit the actual needs and management responsibilities of the project.

I. ~~Administrative Structure~~

The City of _____ is an incorporated city with a Mayor-Council form of government. The following persons will have lead responsibility for administering the City's _____ Biennium Treasure State Endowment Program (TSEP) {project type} project improvements:

Mayor _____, as the City's chief elected official will have responsibility for all official contacts with the Montana Department of Commerce. The Mayor and City Council will have ultimate authority and responsibility for the management of project activities and expenditure of TSEP funds. The approval of all contracts and requests for reimbursement will be the responsibility of the City Council. (Telephone _____ Email _____)

_____, Clerk-Treasurer, as the City's chief financial officer, will be responsible for management of, and record keeping for, the TSEP funds and other funds involved in the financing of the {type} project. (Telephone _____ Email _____)

_____, Director of the City-County Planning Board, will be designated as Grant Manager and be responsible for overall grant management and assuring compliance with applicable federal and state requirements for the TSEP project. The Grant Manager will serve as the City's liaison with Department for the project. One-fourth of this position's time will be devoted to TSEP administration during the term of the project. (Telephone _____ Email _____)

_____, City Attorney, as the City's legal counsel, will review and advise the Mayor and Council regarding any proposed contractual agreements associated with the TSEP project and provide any other legal guidance as requested. (Telephone _____ Email _____)

_____, Project Engineer, will be responsible for construction-related activities including preparation of preliminary engineering, final design plans and specifications, as well as construction inspection. Contractor compliance, scheduling, and reimbursement requests will also be subject to the Project Engineer's review and approval. (Telephone _____ Email _____)

~~II. Grant Management~~

~~A. The Grant Manager will be responsible for:~~

- ~~1. Compliance with any applicable environmental requirements.~~
- ~~2. Assisting the Grant Recipient with all requirements related to effective project start-up and implementation and developing a contract with the Department.~~
- ~~3. Preparing any legal notices required to be published, and processing and conducting any required public hearings or informational meetings.~~
- ~~4. Establishing and maintaining complete and accurate project files and preparing all documentation and reports incidental to administration of the grant.~~
- ~~5. Assisting the Grant Recipient with selection of the Project Engineer, in conformance with procurement requirements, including the preparation of requests for proposals for publication or other distribution.~~
- ~~6. Reviewing all proposed project expenditures or requests for reimbursement to ensure their propriety and proper allocation of expenditures to the TSEP budget.~~
- ~~7. In cooperation with the Clerk-Treasurer, processing reimbursement requests and preparing requests for reimbursement to the Department, including the Request for Reimbursement, Status of Funds Report, Invoice Tracking Spreadsheet and the Project Progress Report.~~

CHAPTER 2

PROJECT MANAGEMENT

I. Overview

This chapter provides information about the management of a **TSEPMCEP** project, including budget amendments, expenses eligible for reimbursement, eligible match, and requirements for request for reimbursement of **TSEPMCEP** funds.

Each grantee is required to comply with all applicable local, state, and federal laws of regulations throughout the project. This includes adherence to all applicable design standards, environmental mitigation requirements, and building codes. ~~Therefore, a~~ copy of all applicable permits that are obtained for the project must be submitted to the Department prior to commencing construction activities.

II. Project Lifespan

TSEPMCEP projects must have construction activities completed as identified in the project's implementation schedule and the executed contract with the Department. The Department, in its sole discretion, may grant an extension to the scheduled date if the project is near completion, and the grant recipient can demonstrate a good faith effort to complete the project on time and within the original budget.

III. Project Amendment

At some point during the project, the grantee may need to modify the **project components scope of work** as identified in the legislative report, budget, or implementation schedule for the project. The following process should be followed for accomplishing such modifications:

a. Budget

Modifications to the budget of less than \$5,000 to any one line item of the budget can be submitted as part of the grantee's request for reimbursement request, and Department approval of the request for reimbursement will constitute approval of the modification.

For budget modifications of \$5,000 or more to any one line item of the budget, or when the sum of budget modifications exceeds \$5,000, the **TSEPMCEP** grantee must provide a written justification to the Department that clearly demonstrates the appropriateness and necessity of the modification. The Department must agree in writing to any significant changes in the budget before such changes may be implemented by the grantee. If such changes are proposed, the Department has 45 days to review and approve the changes requested.

Any budget modifications made during the project should be listed and tracked continuously on funding tracking spreadsheets throughout the project.

When bids tabs are received for construction, the amount budgeted in the project budget may be reduced by an amount proportionate to the reduction in the amount required for construction. For example, if the overall savings were 20 percent, the amount to be provided by TSEPMCEP for construction activities would be reduced by 20 percent. Any savings would then be added to the contingency line item amount. If there are any savings upon completion of the project, the Department reserves the right to share proportionately in those savings with all funding sources.

Budgets will be approved with contingency amounts for completion of project activities. Contingency amounts are reserved for use of construction activities and will seldom be transferred to other line items or administrative costs. Please work closely with program staff if your situation may require a transfer of contingency funds. The TSEPMCEP grant recipient may request to use the difference between the final actual project costs and the original grant award to fund additional work that further enhances the system. The TSEPMCEP grant recipient should submit a written request to use remaining TSEPMCEP funds for the additional work activities, including full rationale and cost details, for Department review and approval. The decision to allow additional work activities to be funded with remaining TSEPMCEP funds is strictly at the sole discretion of the Department.

b. Implementation Schedule

The grantee may modify the implementation schedule as necessary to reflect the timeline being followed as the project moves forward, so long as the project's completion date as listed in the executed contract is met. The grantee should submit details regarding any changes to the schedule as part of the grantee's next request for reimbursement, and Department approval of the request for reimbursement will constitute approval of the modification.

If the grantee seeks to extend the completion date of its TSEPMCEP project beyond the termination date identified in the executed contract and implementation schedule, the grantee must contact the Department as soon as possible to request an extension. Projects that encounter ~~delays, or~~ delays or are not completed by the contract termination date may be required to execute an amendment to their contract. Rationale for extending the contract beyond the termination date will be required.

c. Scope of Work

If the grantee seeks to change any part of the scope of work of the project, as identified in the contract with the Department, the grantee must first provide a written request with justification to the Department that clearly demonstrates the appropriateness and necessity of the modification.

The Department, in its sole discretion, may grant a modification to the project scope of work that does not materially alter the ranking priority, intent, or circumstances under which the project was ranked and approved for funding.

IV. Eligible Project and Matching Expenses

Expenses **eligible** for TSEPMCEP funding include, but are not limited to:

- Expenses that directly relate to construction activities that implement the scope of work identified in the TSEPMCEP contract;

- Professional services that directly relate to design activities that implement the scope of work identified in the TSEPMCEP contract;
- Repayment of interim financing directly related to project activities that implement the scope of work identified in the TSEPMCEP contract;
- Water meters;
- Connection charges (hook-up fees and connection costs);
- Legal costs and fees including bond counsel;
- Purchase of computer software necessary to carry out TSEPMCEP grant requirements, such as remote meter reading transmitter software and other computer programs;
- Up to 50% of the cost of computer hardware, if it is required, to run the software or needed to otherwise manage the TSEPMCEP project;
- Direct grant administration expenses, up to a maximum 10% of the total TSEPMCEP budget for the project, including but not limited to personnel costs, office rent, office equipment, supplies, telephone, postage, travel, procurement related costs;
- Financial costs such as original loan origination fees, administrative fees, debt service reserves, and capitalized interest;
- Bond issuance and interest costs; and
- Land and easement acquisition.

Expenses that are **not eligible** for TSEPMCEP funding include but are not limited to:

- Operation and maintenance costs;
- Purchase of furnishings and fixtures or equipment that is not permanently installed in and solely dedicated to the operation of a public facility;
- Costs related to refinancing, servicing, or interest on any existing debt;
- ~~Any unauthorized costs incurred prior to the date identified in the Notice of Award letter;~~ and
- Facility Operator Salaries, unless clearly documented specific tasks for project completion are outside of regular tasks for facility operation
- Privately owned service lines.

Expenses eligible for TSEPMCEP grantees' **matching project funds** include but are not limited to:

- Cash Match - The expenditure of any of the funds identified below on any eligible TSEPMCEP expense (see above) after the date identified in the Notice of Award letter are eligible as TSEPMCEP matching funds:
 - local general funds or other cash;
 - proceeds from the sale of general obligation, revenue, special assessment or other bonds;
 - entitlement or formula-based federal or state funds such as federal highway funds or payments in lieu of taxes; and
 - loan or grant funds from a state or federal program other than TSEPMCEP.
- Previous Cash Expended - The expenditure of any of the funds identified above prior to the date identified in the Notice of Award letter is not eligible as TSEPMCEP matching funds,

except when directly related to the preparation of engineering studies, reports, plans, or the grantee's **TSEPMCEP** grant application directly related to the **TSEPMCEP** project up to 2 years prior to the date identified in the Notice of Award letter.

- In-Kind Match - The following sources of value are eligible as **TSEPMCEP** matching funds:
 - the value of land provided by the grantee, which value is based on an appraisal conducted within 6 months of acquisition of such land;
 - the value of labor performed by the grantee's employees on the **TSEPMCEP** project after the date identified in the Notice of Award letter, as long as the employee is paid at his or her standard hourly rate of pay and the time worked is adequately documented; and
 - the value of machinery or materials used in the process of constructing the project that is owned (or leased) and operated by the applicant, which value is based on the most recent Federal Emergency Management Agency (FEMA) equipment rate schedules or, in the case of materials, adequately documented acquisition costs.

V. Requests for Reimbursement and Progress Reports

a. Project Requests for Reimbursement

The Request for Reimbursement Form is used by grantees to request **TSEPMCEP** funds for reimbursement of eligible project expenses. A Request for Reimbursement Form is included as Exhibit 2-A. In order to process the first Request for Reimbursement, the grantee must submit a completed copy of the Signature Certification Form and Designation of Depository Form. These forms are included as Exhibits 2-C and 2-D. If, a grantee has not previously set up a deposit account with the State, or is requesting funds are reimbursed to a **different account** than is on file with the State, an additional form will be required. Please work closely with your project liaison to ensure account information is accurate. The grantee must also provide a copy of current insurance documentation prior to funds being released.

Grantees initiate a request for **TSEPMCEP** funds by preparing and submitting the Request for Reimbursement Form. The grantee can only be reimbursed for project-related, actual costs that have been incurred, and must provide adequate and sufficient documentation supporting each claim for expenses to be reimbursed. Itemized invoices, for the contractor, any subcontractors, consultants, and vendors or suppliers, typically constitute adequate and sufficient documentation for reimbursable expenses, the invoice must include:

- a description of work performed;
- hourly rates for professional or grant administration services
- the number of hours worked to accomplish each item;
- the amount being billed for each item;
- work performed date(s) and work items completed, beginning and ending billing period dates;
- a description of any other eligible expenses incurred during the billing period; and
- the total amount being billed.

Lump-sum contracts typically do not provide for adequate and sufficient documentation for reimbursement of project expenses with [TSEPMCEP](#) funds and they are generally not allowed for design and construction engineering services. Cost plus contracts are not allowable on [TSEPMCEP](#) projects.

If budget modifications are found to be necessary while preparing a request, [TSEPMCEP](#) should be notified of the modification prior to the request being submitted. Please see Section III. a. for more information regarding budget modifications. Please work closely with your program liaison regarding budget modifications. The Grantee must also approve the changes of tracking or recording of payment for previously paid invoices.

The Department will retain two percent (2%) of the total authorized grant amount until:

- the project has been completed (Certificate of Substantial Completion); and
- Final completion report has been submitted by grantee and approved by the Department

Additional guidance on submitting project requests for reimbursement can be found on the Community [Development-MT](#) Division's webpage.

b. Project Progress Reports and Photos

Each request for [TSEPMCEP](#) funds must be accompanied by a Project Progress Report. In the absence of a request for reimbursement regularly submitted, a Project Progress Report should be submitted every 90 days as a project update on activities occurring on the project. A sample Project Progress Report is included as Exhibit 2-B. The Project Progress Report provides the Department with information on the use of the funds requested and the progress and status of the project. On the report, the grantee must describe the status of all activities in the scope of work, including: the percentage complete, costs incurred, funds remaining, projected completion date, any significant problems encountered in carrying out the project and the scope of any necessary modifications the Grantee is requesting in the scope of work, budget, or implementation schedule.

Project photos are encouraged to be submitted to the Department at the beginning of the project and at the completion of the project. Photos should evidence the improvements made during construction and the new or upgraded facilities.

c. Uniform Status of Funds Form and Invoice Tracking Spreadsheet

Each request for [TSEPMCEP](#) funds must also be accompanied by an updated Uniform Status of Funds Form and Uniform Invoice Tracking Spreadsheet. These forms are included as Exhibits 2-E and 2-F. The Uniform Status of Funds Form provides the Department updated information on the remaining budget for the project and the status of all funding sources involved in the project. The Uniform Invoice Tracking Spreadsheet provides the Department updated information on all cumulative invoices received and paid for on the project, broken out by all funding sources involved in the project.

VI. Accounting and Auditing Requirements

TSEPMCEP local government grantees must maintain all receipts and expenditures of TSEPMCEP grant funds in accordance with generally accepted accounting principles (GAAP) and be in compliance with the auditing requirements of Section 2-7-503, MCA, as provided for in Section 20-9-213, MCA. TSEPMCEP tribal government grantees must maintain all receipts and expenditures of TSEPMCEP grant funds in accordance with the requirements provided for in OMB Circular A-133.

VII. Records Creation and Retention

The grantee must create and maintain all records of project activities funded with TSEPMCEP grant funds, including but not limited to financial records, supporting documents, and such other records as are required by law or other authority, for ~~three (3)~~five (5) years after either the completion of the project or the conclusion of any claim, litigation, or exception relating to the project taken by the State of Montana or any third party, whichever is later. The grantee must provide the Department, the Legislative Auditor, or their agents access to all project records upon request.

VIII. Ethics and Code of Conduct

Sections 2-2-12, 2-2-201, 7-3-4256, 7-3-4367, 7-5-2106, and 7-5-4109, MCA, govern the code of conduct and conflicts of interest by all local governmental entities and public employees, including elected officials, district board members, and district employees. These laws must always be followed by TSEPMCEP grant recipients, regardless of their participation in the TSEPMCEP grant program.

IX. Procurement Procedures

Title 7, Chapter 5, Parts 23 and 43, MCA govern the procurement of construction and purchasing contracts by TSEPMCEP local government and district grantees. Tribal governments are subject to their own tribal procurement laws. These laws must always be followed by these entities, regardless of their participation in the TSEPMCEP grant program.

TSEPMCEP grantees should be prepared to provide information to the Department about how they intend to procure or have procured grant administration, professional services and construction services in accordance with the procurement laws applicable to them, including but not limited to the list of vendors to be or that were solicited, a copy of any advertisements, a copy of the request for proposals, or the information detailing the scope of work if price is the only consideration.

All executed contracts or agreements for grant services to be paid for in whole or in part by TSEPMCEP funds must be submitted to the Department. Additional guidance on procurement procedures can be found on the TSEPMCEP- website.

X. Public Notice and Participation

Sections 8 and 9 of Article II of the Montana Constitution, and Sections 2-3-101, 2-3-201, and Title 7, MCA, require TSEPMCEP local governments and district grantees to hold regular and special public meetings, provide public notice of those meetings, and allow the public the opportunity to participate in the grantee's decision-making process. These laws must always be followed by TSEPMCEP local

governments and district grantees, regardless of their participation in the [TSEPMCEP](#) grant program. Grantees should be prepared to provide information to the Department about the public process for its [TSEPMCEP](#) project, including but not limited to a copy of public meeting agendas and any comments submitted by the public and responses provided during administration of the project.

All press releases related to the [TSEPMCEP](#) project must be submitted to the Department for review and approval prior to release.

XI. Non-Discrimination Laws

[TSEPMCEP](#) grantees must fully comply with all applicable federal, state, or local non-discrimination laws, rules and regulations, including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973, in performing any project or portion thereof using [TSEPMCEP](#) funds. All subcontractors performing work on the project are subject to the same provision. The hiring of all persons to perform work on the project must be made on the basis of merit and qualifications, and the district shall not discriminate based upon the race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin of the persons performing the project.

XII. Prevailing Wage Requirements

Montana's Prevailing Wage Act (Section 18-2-401, et seq., MCA) applies to all public works contracts let by [TSEPMCEP](#) local government and district grantees (all construction contracts and non-construction contracts in excess of \$25,000). These laws must always be followed by [TSEPMCEP](#) local government and district grantees, regardless of their participation in the [TSEPMCEP](#) grant program. Grantees should be prepared to document the payment of prevailing wages in all applicable contracts related to the [TSEPMCEP](#) project.

XIII. Project Monitoring

Recipients of [TSEPMCEP](#) funding are responsible for administering their [TSEPMCEP](#) projects in accordance with all applicable local, state and federal laws. The Department has the responsibility to assist and support grantees in successfully implementing their project activities from start-up through completion of the project in compliance with these requirements.

To accomplish these goals, in addition to reviewing information submitted with progress reports and requests for reimbursement of [TSEPMCEP](#) funds, the Department will schedule a monitoring visit with each [TSEPMCEP](#) grantee. A monitoring visit usually involves a visit to the grantee's offices to review records, inspect project activities, and meet with the local officials. Infrastructure staff will contact the grantee and grant administrator concerning the timing and scope of the monitoring visit. After a monitoring visit, the Infrastructure liaison will provide written monitoring comments to the grantee. The Department will advise the Grantee of any specific areas of concern and if necessary, provide the Grantee opportunity to take corrective actions to address the Department's concerns.

XIV. Project Completion

Project completion is the process by which the Department determines that the ~~TSEPMCEP~~ project has been completed in accordance with the terms and conditions of the ~~TSEPMCEP~~ contract.

Within 90 days of the date the certificate of substantial completion is issued by the project engineer, the grantee must submit a final Project Completion Report for approval by the Department, usually with the final request for reimbursement. The Project Completion Report is included as Exhibit 2-G. The report provides the Department with information on the total costs incurred for the Project, the final completion date, and any significant problems encountered in carrying out the Project. If submission of Completion Report documents is delayed for any reason, a request with justification for extending the 90 days will be required. Please work closely with infrastructure staff if delays occur. Within 30 days of approving the Project Completion Report, the Department will issue the Notice of Project Completion. Once the Notice of Project Completion is issued, the ~~TSEPMCEP~~ grant project is considered complete and the file is closed. No more requests for reimbursement will be accepted on the project after the project is closed. The completion of the project may be included in reports to the Legislature, Governor or their representatives.

Exhibit 2-A Request for Reimbursement Form

SECTION I - TSEPMCEP RECIPIENT INFORMATION				
TSEPMCEP CONTRACT NUMBER	REQUEST NUMBER	TOTAL AMOUNT REQUESTED		
NAME AND ADDRESS OF TSEPMCEP RECIPIENT:	MAKE DEPOSIT PAYABLE TO:			
SECTION II - FINANCIAL INFORMATION				
	A Amount Budgeted	B Amount Expended Prior To This Request	C Amount Requested	D Balance Remaining After This Request
1. TOTAL ADMINISTRATION BUDGET				
2. Percent	% of Total Grant	% of Column A		
3. TOTAL ACTIVITY BUDGET				
4. Percent	% of Total Grant	% of Column A		
5. TOTAL TSEPMCEP BUDGET				
			Total Amount Requested	
REMARKS:				
SECTION III - LOCAL APPROVAL				
Please submit all request for reimbursements and supporting reports and documentation via email or to: Montana Department of Commerce PO Box 200523, Helena, MT 59620-0523				
DATE:	SIGNATURE		TITLE	
DATE:	COUNTERSIGNATURE		TITLE	
SECTION IV - COMMERCE APPROVAL				
EXPENDITURES ARE REASONABLE, APPROPRIATE _____ FINANCIAL NUMBERS, SIGNATURES CORRECT _____ CONSISTENT WITH PRECEDING REQUEST, SABHRS _____ BUDGET AMENDMENT APPROVED _____			APPROVED BY: TITLE: DATE:	

Exhibit 2-B
TSEPMCEP Project Progress Report

Name of **TSEPMCEP**

Recipient: _____

Grant Contract Number: #MT-**TSEPMCEP**-CG- _____

Request for Reimbursement Number: _____

Total Amount Requested: _____

Date: _____

Administration:

Amount Requested

Include the amount and a brief description of each individual administrative/financial related expenditure (invoice) that will be paid for in whole or in part using **TSEPMCEP** funds. Attach a copy of each invoice. Include summary payroll information for all work performed by the **TSEPMCEP** recipient's employees. At a minimum, include the name, title, time period or date(s) that work was performed, rates charged/hour, total hours worked, activities performed, and total amount earned.

Activity:

Amount Requested

Include the amount and a brief description of each individual construction related expenditure (invoice) that will be paid for in whole or in part using **TSEPMCEP** funds. Attach a copy of each invoice. Include summary payroll information for all work performed by the **TSEPMCEP** recipient's employees. At a minimum, include the name, title, time period/date that work was performed, total hours worked, activities performed, and total amount earned.

Project Status (Administration/Financial and Construction):

This portion of the report should provide a summary of the overall status of the project and any other information relevant to the implementation of the project. Include a description of any accomplishments achieved since the last progress report submitted. Include timelines for milestones or completion of activities.

Use quantitative terms whenever possible. First, provide the percent estimate of how complete the project is in its entirety, and then provide estimates for major components of the project.

Provide any other information that appears pertinent, such as anticipated changes in the contract budget, implementation schedule, or scope of services. For example, if you anticipate any problems or delays that could affect the project implementation schedule or budget, these should be fully described and discussed well in advance, since a budget adjustment requires prior approval. Finally, indicate any milestones from the implementation schedule that are behind schedule and indicate when they should be completed.

DRAFT

Exhibit 2-C
Signature Certification Form

Montana Department of Commerce
Community Development Division - ~~Treasure State~~ Montana Coal Endowment Program
301 S. Park Avenue
PO Box 200523
Helena, Montana 59620-0523

This is to certify that the following officials¹ are authorized to sign requests for reimbursements of Montana ~~Treasure State~~ Coal Endowment Program (~~TSEPMCEP~~) funds for the {name of grantee: City, Town, or County}, 20__ Biennium ~~TSEPMCEP~~ grant:

- | | | |
|----|--------------|-------|
| 1. | <hr/> | <hr/> |
| | Signature | Title |
| | <hr/> | |
| | Printed Name | |
| 2. | <hr/> | <hr/> |
| | Signature | Title |
| | <hr/> | |
| | Printed Name | |
| 3. | <hr/> | <hr/> |
| | Signature | Title |
| | <hr/> | |
| | Printed Name | |

It is understood that any two of the above signatories must sign each request for reimbursement submitted.

²I hereby certify that I have witnessed the signing of the above named signatures.

Signature of Witness

Date: _____

Typed Name and Title of Witness

SUBSCRIBED AND SWORN TO, before me, a Notary Public for the State of Montana, on the _____ day of _____, 20__.

(Notary Seal) _____
My Commission expires _____

Notary Public for the State of Montana (type or print name)
Residing at _____

¹Suggested signatories include the chief elected official (Mayor, Chairperson of County Commission, District President, Tribal Chairperson and/or Tribal Council Members), city, county or district clerk or treasurer, or other local officials. Consultants under contract may not be a signatory.

Exhibit 2-D
Designation of Depository for Direct Deposit of ~~TSEPMCEP~~ Funds

SECTION I (To be completed by ~~TSEPMCEP~~ recipient)

The _____
Name, Address and ZIP Code of ~~TSEPMCEP~~ Recipient's Bank
has been designated as the depository for all funds to be received from the Montana Department of
Commerce resulting from ~~TSEPMCEP~~ Contract No.
~~MT-TSEPMCEP~~-_____ for deposit to: ☐ checking or ☐ savings

Account Name / Account # / American Bankers Association # (ABA –Routing/Transit)

Name of Grant Recipient

Address

Signature of Chief Elected Official
or Executive Officer

Title of Chief Elected Official
or Executive Officer

Email address for notification of payments made to grantee from ~~TSEPMCEP~~

Date

Section II (To be completed by the bank)

The account identified in Section I has been established with this bank. All necessary documentation,
including a power of attorney where necessary, which will legally enable this depository to receive state
warrants from the State Auditor's Office for deposit to:

Account Name and/or Number

Name of Bank

Address

The Depository hereby agrees to immediately notify the Recipient when a deposit is made in the above
account.

Signature of Authorized Bank Officer

Title of Authorized Bank Officer

Date

DRAFT

Exhibit 2-E

Uniform Status of Funds Form

Available at the ~~TSEP~~MCEP website:

Project Grants - Montana Coal Endowment Program - Community Development Division
(mt.gov)~~http://comdev.mt.gov/Programs/TSEP~~

Exhibit 2-F

Uniform Invoice Tracking Spreadsheet

Available at the ~~TSEP~~MCEP website:

~~http://comdev.mt.gov/Programs/TSEP~~

Exhibit 2-G

Project Completion Report

TSEPMCEP recipients must complete the Final Project Completion Report, to describe the accomplishments of the project as described in the **TSEPMCEP** contract signed between the grantee and the Department of Commerce. All certifications must be signed by the **TSEPMCEP** recipient's Chief Elected Official or Executive Officer.

The Final Completion Report consists of the following components:

- ☐ 1. Final Project Performance Report
 - ☐ **Proposed Accomplishments:** Describe the accomplishments in quantifiable terms if applicable (e.g. approximately 3,100 feet of water pipe installed and /or 150 people in 45 households served). Also describe the accomplishments, which are not easily quantifiable (e.g. achieved compliance with State water quality standards or eliminated serious threats to public health.)
 - ☐ **Actual Accomplishments:** Provide an explanation for any differences between the original proposed accomplishments and the final accomplishments.
 - ☐ **Open-Ended Action Items:** Describe any liens from contractors or suppliers, open-ended action items pertaining to enforcement of applicable prevailing wage or other labor requirements, or other third-party claims against the project which will require restitution, escrow of funds or liquidated damages.
 - ☐ **Citizens Summary:** Provide a summary of any citizen comments or complaints regarding the **TSEPMCEP** project received by the local governing body or the local **TSEPMCEP** project manager. The summary must include the recipient's assessment of the citizen comments and a description of any action taken in response to the comment or complaint.
- ☐ 2. Statement of Cost: **TSEPMCEP** Funds and Non **TSEPMCEP** Funds (Include a Final Uniform Status of funds spreadsheet identifying all expenditures in the project)
- ☐ 3. Certification of Grantee
- ☐ Attachments:
 - ☐ **Certificates:** A copy of the project engineer's Certificate of Substantial Completion with the attached punch list, or final inspection report, or letter giving final acceptance of the completed project.
 - ☐ **Operation & Maintenance:** Except for bridge projects, a copy of the long-term operations and maintenance plan. At a minimum, include the cover page and index of the plan.

I. Final Project Performance Report

Name of **TSEPMCEP**

Recipient: _____

Grant Contract Number: **#MT-TSEPMCEP-CG-** _____

Proposed Accomplishments:

Describe the accomplishments in quantifiable terms if applicable (e.g. approximately 3,100 feet of water pipe installed and /or 150 people in 45 households served). Also describe the accomplishments, which are not easily quantifiable (e.g. achieved compliance with State water quality standards or eliminated serious threats to public health.)

Actual Accomplishments:

Provide an explanation for any differences between the original proposed accomplishments and the final accomplishments. If there are no changes from proposed accomplishments state "Same".

Open-Ended Action Items:

Describe any liens from contractors or suppliers, open-ended action items pertaining to enforcement of applicable prevailing wage or other labor requirements, or other third-party claims against the project which will require restitution, escrow of funds or liquidated damages. If there are no open-ended action items state "Not Applicable".

Citizen Summary:

Provide a summary of any citizen comments or complaints regarding the **TSEPMCEP** project received by the local governing body or the local **TSEPMCEP** project manager. The summary must include the recipient's assessment of the citizen comments and a description of any action taken in response to the comment or complaint. If applicable, attach a copy of the comment or complaint and response by the local governing body. If there were no citizen comments or complaints state "No comments or complaints received".

2. Statement of Costs: ~~TSEP~~MCEP Funds and Non-~~TSEP~~MCEP Funds

Attach a Final Uniform Status of Funds spreadsheet identifying all expenditures in the project.

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4. Certification of Grantee

It is hereby certified that all activities under taken by the ~~TSEPMCEP~~ grant recipient with funds provided under contract #MT-~~TSEPMCEP~~-CG-____-____ have been carried out in accordance with said contract; and that

- A. There are no unpaid costs, liens, or third-party claims remaining against the ~~TSEPMCEP~~ project, all prevailing wage requirements applicable to this contract have been complied with, and there are, to the recipient's knowledge, no outstanding prevailing wage claims;
- B. Statements and information contained in this Final Project Completion Report are true and correct;
- C. All records related to grant activities are available on request and will be kept for three years after the date of final closeout approval by the Department;
- D. A final audit will be conducted in accordance with state requirements and all findings, if any, will be resolved;
- E. The average residential monthly user rate is \$____, which is at or above the established target rate.
- F. If applicable, any interim loans through the Board of Investment's INTERCAP program have been repaid; and
- G. It is hereby acknowledged that any remaining unexpended balance of ~~TSEPMCEP~~ funds for the ~~TSEPMCEP~~ project under this contract will be retained or recovered by the Department.

(Printed Name and Title of Chief Elected
Official)

(Signature of Chief Elected Official)

(Date)